

GOVERNMENT OF ANDHRA PRADESH  
A B S T R A C T

Public Services – Backward Classes Welfare Department – Allegations of corruption misappropriation of Government funds and involvement in criminal conspiracy in swindle the post matric Scholarship amount against Sri M.Anjaiah, former District Backward Classes Welfare Officer, Hyderabad (U/S) – Imposition of penalty of withholding pensionary benefits including DCRG under Rule 9 (1) of A.P.Revised Pension Rules 1980 – Orders – Issued.

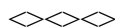
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BACKWARD CLASSES WELFARE (VIG.CELL.A1) DEPARTMENT

G.O.Ms.No. 3

Dated:03-02-2009  
Read the following:

- 1) From the Commissioner of B.C.Welfare, A.P., Hyderabad, Proceedings Rc.No.A2/5273/2002, dated. 19.6.2002.
- 2) The Director General, Anti Corruption Bureau, A.P., Hyderabad, Lr.Rc.No.190/RCA-CR.2/2002, dated. 30.9.2002 & 18.2.2003.
- 3) From the Deputy Commissioner of Police, Detective Department, Hyderabad, No.Cr.No.134/2002/ACP-Central Zone/CCS/DD/2003, dt.29.1.2003, 24.2.2003 & 24.6.2003.
- 4) G.O.Ms.No.4, B.C.Welfare (A1) Dept., dated. 5.3.2003.
- 5) G.O.Ms.No.20, B.C.Welfare (A1) Dept., dt.21.7.2003.
- 6) Govt.Memo.No.2460/Vig.Cell/2002, dated.7.5.2004.
- 7) G.O.Ms.No.29, B.C.Welfare (Vig.Cell.) Dept, dated. 25.6.2004.
- 8) From the A.P.A.T., Hyderabad, O.A.No.5569/2004, dt.4.10.2004.
- 9) Govt.Memo.No.2460/Vig.Cell/2002-6, dt.7.12.2004.
- 10) The Director General, Anti Corruption Bureau, A.P., Hyderabad, Lr.Rc.No.190/RCA-CR.2/2002, dated. 17.1.2005.
- 11) G.O.Ms.No.8, B.C.Welfare (Vig.Cell) Dept., dt.16.3.2005.
- 12) From the Deputy Commissioner of Police, Detective Department, Hyderabad, Lr.No.134/2002/DCP.DD/2008, dt.23.7.2008.



ORDER:

Whereas it has been brought to the notice of the Government that, Sri M.Anjaiah, former District Backward Classes Welfare Officer, Hyderabad, while working at Hyderabad during the period from 15.12.2001 to 19.6.2002 has indulged in criminal conspiracy with others to swindle the post matric scholarship amount, hatched a plan in floating some bogus colleges and created false and forged documents and presented bogus bills in the name of Principals of (11) bogus and non existent Colleges by issuing sanction proceedings to the list of Backward Classes students and deliberately not reconciled the accounts and facilitated embezzlement of those amounts and thereby cheated the Government and caused loss to the extent of Rs.45.00 crores and shared the ill-gotten money. A case has been registered against him by the Deputy Commissioner of Police, Detective Department, Hyderabad in Crime No.134/2002 under Sections 420, 468, 471 and 120 IPC at Humayun Nagar Police Station/CCS, Hyderabad. Therefore, the Accused Officer has been kept under suspension, vide reference 1<sup>st</sup> read above.

2. And whereas in the reference 2nd read above, the Director General, Anti Corruption Bureau, Hyderabad, has reported that the Accused Officer has acquired and in possession of movable and immovable properties and pecuniary resources worth of Rs.35,25,311/- in his name and in the name of his family members and kith and kin by corrupt or illegal means and a case has been registered in Crime No.6/ACB-CIU-Hyd/2002 under section 13 (2) r/w 13 (1) (e) of P.C. Act, 1988 and requested the Government to authorize the Inspector of Police (C.I.U), A.C.B., Hyderabad, under

section 3 & 4 of Criminal Law Amendment Ordinance of 1944 (Central Ordinance XXXVIII of 1944) for filing an application in the court of Principal Special Judge for SPE & ACB Cases, Hyderabad. Accordingly, the Government, vide reference 4<sup>th</sup> read above, have sanctioned authorization for attachment of properties. The Director General, Anti Corruption Bureau, Hyderabad, has filed an application in the Court of the Principal Special Judge for SPE & ACB Cases, Hyderabad, and seeking attachment of properties of the Accused Officer.

3. And whereas in the reference 3<sup>rd</sup> read above, it was also brought to the notice of the Government that the Deputy Commissioner of Police, Detective Department, Hyderabad, has registered a criminal case in crime No.134/2002 under Section 420, 468, 471 & 120-B of IPC of CCS, Hyderabad and arrested and remanded the accused, Sri M.Anjaiah, to the judicial custody in regard to the various criminal offences committed by him for embezzlement of huge amount intended for payment of the Scholarships to the poor students of Backward Classes Communities and requested the Government to accord permission for prosecution against him. Accordingly, the Government has sanctioned permission to prosecute the accused officer in a court of competent jurisdiction, vide reference 5<sup>th</sup> read above. The Detective Department have filed Charge Sheet in C.C.No.1/2003 against the accused officer in the Special Court, Hyderabad.

4. And whereas the Government have examined the entire matter in detail and felt that it is not possible to initiate disciplinary action against the said Sri M.Anjaiah, by issuing Charge Memo and holding an enquiry in respect of various acts of mis-conduct and violation of A.P.Civil Services (Conduct) Rules, 1964 for the various reason of mentioned below.

- (i) Having launched the prosecution in the criminal court against the accused officer and others, it is not possible to initiate disciplinary action against him, as the relevant documents/records required for the purpose of disciplinary action against him cannot be made available to the departmental enquiry officers by the investigation agency, as the said records have to be filed in the court in the criminal proceedings against them as part of the criminal conspiracy between him and the other accused. There is no other alternative except to wait till the criminal proceedings are concluded, which will take a considerable long time, in view of the voluminous oral and documentary evidence to be adduced before the court.
- (ii) Sri M.Anjaiah and his co-conspirators, being responsible Government servants expected to uphold the Government policies and protect the interests of the poor and needy Backward Classes Students. They have indulged in anti-Government and anti-people activities and deliberately and dishonestly flouted the various Government orders, rules and instructions given from time to time and embezzled several crores of Government funds intended for the benefits of the poor students belonging to Backward Classes communities and thus not only brought disrepute but also very much affected the administration in the implementation of the progressive policies of the Government.
- (iii) The mere suspension of Sri M.Anjaiah does not have any impact on him since he is not at all dependent on the subsistence allowance being paid to him by the Government, which is a further loss to the Government and on the other hand he continues to be a Government Servant enjoying all the privileges which a suspended Government servant is entitled to as

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per the rules. In a case of this nature involving grave mis-conduct and moral turpitude, paying subsistence allowance from the public exchequer without taking prompt disciplinary measures is neither in public interest nor public good and it will be construed as a sign of weakness on the part

of the Government and will encourage the delinquent to continue his illegal, clandestine and fraudulent activity without any hindrance and the exigencies of the situation required immediate imposition of a penalty dispensing the enquiry.

- (iv) Continuation of Sri M.Anjaiah, who is involved in large scale fraud which has become a public scandal, would be detrimental to the discipline and against public interest.
- (v) The fraud committed by Sri M.Anjaiah and the other accused in the criminal case has reduced the faith of the people in the administrative machinery and with such dis-honest person remaining in the Government, there is little hope of implementation of progressive economic and social measures for the welfare of Backward Classes and a situation has arisen calling for immediate action in order to restore the public confidence in the Administration of the State and to protect the prestige and reputation of the Government.

5. And whereas the Government have reviewed the entire case in detail and after making an objective assessment of the facts and circumstances and various reasons mentioned above, satisfied that it is not reasonably practicable to hold a disciplinary enquiry against Sri M.Anjaiah, in respect of various acts of grave mis-conduct and violation of APCS (Conduct) Rules, 1964, as contemplated under APCS (CC&A) Rules, 1991 and that it is most expedient and in public interest not to continue him in service and to terminate his services forthwith apart from recovery of misappropriated amount from him.

6. In the reference 6<sup>th</sup> read above, Government have consulted the A.P.Public Service Commission, Hyderabad, as required under proviso to Rule 21 (4) of A.P.C.S. (CC&A) Rules, 1991 and Regulation 17 of A.P.Public Service Commission Regulation 1963. The A.P. Public Service Commission, Hyderabad has communicated its concurrence vide their letter dated. 4.6.2004.

7. In the reference 7<sup>th</sup> read above, Government have issued orders dismissing Sri M.Anjaiah, formerly District Backward Classes Welfare Officer, (under suspension) apart from recovery of misappropriated amount from him with immediate effect, without prejudice to the outcome of Special Leave Petition pending in the Supreme Court, and the original application in Andhra Pradesh Administrative Tribunal, Hyderabad.

8. In the reference 8<sup>th</sup> read above, Sri M.Anjaiah, District Backward Classes Welfare Officer has filed O.A.No.5569/2004 against the impugned G.O.Ms.No.29, B.C.Welfare (Vig.Cell) Department, dt.25.6.2004 in Hon'ble Andhra Pradesh Administrative Tribunal, Hyderabad and prayed to suspend the operation of G.O.Ms.No.29, B.C.Welfare (Vig.Cell) Department, dt.25.6.2004 and direction to Continue to pay substance allowance. The Andhra Pradesh Administrative Tribunal, Hyderabad has issued interim orders suspending impugned G.O.Ms.No.29, B.C.Welfare (Vig.Cell) Department, dt.25.6.2004 and ordered to pay the subsistence allowance to the applicant.

9. In the reference 9<sup>th</sup> read above, the Commissioner, Backward Classes Welfare, A.P., Hyderabad, was directed that the Andhra Pradesh Administrative Tribunal, Hyderabad, has ordered interim suspension of the impugned order (G.O.Ms.No.29,B.C.Welfare Department, dt.25.6.2004) issued by the Government dismissing the delinquent officer Sri M.Anjaiah, District B.C.Welfare Officer, from service, as per sub rule (4) of Rule 8 of A.P.C.S. (CC&A) Rules, 1991 and he is deemed to be under suspension with effect from the date of the original order of dismissal and as such the delinquent officer would be entitled for payment of subsistence allowance from the date of his dismissal, pending finalization of the case

against him. Government have also filed counter affidavit in O.A.No.5569/2004 vide Govt.Memo. No.2460/Vig.Cell/2002-14, dt.11.3.2005. As such, the Departmental action for violation of conduct Rules against the Accused Officer is withheld till the disposal of said O.A. in Andhra Pradesh Administrative Tribunal, Hyderabad.

10. In the reference 10<sup>th</sup> read above, the Director General, Anti Corruption Bureau, Hyderabad has recommended the Government to prosecute the Accused Officer, in a Court of Law for the offence punishable Under Section 13 (2) read with 13 (1) (e) of the prevention of corruption Act, 1988 for being in possession of assets disproportionate to the known sources of his income.

11. In the reference 11<sup>th</sup> read above, Government have issued prosecution orders against Sri M.Anjaiah, former District B.C.Welfare Officer, Hyderabad for the offences punishable Under Section 13 (2) read with 13 (1) (e) of the P.C. Act, 1988.

12. In the reference 12<sup>th</sup> read above, the Deputy Commissioner of Police, Detective Department, Hyderabad, has informed that Sri M.Anjaiah, former District.B.C.Welfare Officer, Hyderabad was convicted to undergo R.I. for 10 years and ordered to pay a fine of Rs.30,000/-.

13. Government after careful examination of the judgment of the Hon'ble Court of the Special Judge under the prevention of corruption Act, have decided to impose a penalty of withholding entire pensionary benefits including D.C.R.G., under Rule 9 (1) of Andhra Pradesh Revised Pensionary Rules, 1980 on Sri M.Anjaiah, the then District B.C.Welfare Officer, Hyderabad (Retired). On 28.2.2005.

14. Accordingly, Government hereby impose penalty of withholding entire pensionary benefits including D.C.R.G. under Rule 9 (1) of Andhra Pradesh Revised Pension Rules, 1980 on Sri M.Anjaiah, the then District B.C.Welfare Officer, Hyderabad (Retired).

15. The Director, B.C.Welfare, A.P., Hyderabad, shall take necessary action accordingly.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

T.SATYANARAYANA RAO  
SECRETARY TO GOVERNMENT

To:

Sri M.Anjaiah, District B.C.Welfare Officer, Hyderabad (Retired) through the  
Director, B.C.Welfare, A.P., Hyderabad.

The Director, B.C.Welfare, A.P., Hyderabad.

Copy to:

The Director General, Anti Corruption Bureau, Hyderabad.

The Deputy Commissioner of Police, Detective Department, Hyderabad.

The Collector & District Magistrate, Hyderabad.

The District B.C.Welfare, Officer, Hyderabad.

The Secretary, A.P.V.C., Hyderabad.

The Accountant General, A.P., Hyderabad.

The District Treasury Officer, Hyderabad.

The Secretary, A.P.Public Service Commission, A.P., Hyderabad.

SF/SC

// FORWARDED:: BY ORDER //

SECTION OFFICER